

MINUTES

of the

PUBLIC HEARING HELD ON

MAY 26, 2015

THE COUNCIL OF THE COUNTY OF MAUI, STATE OF HAWAII, CONVENED A PUBLIC HEARING ON TUESDAY, MAY 26, 2016 AT 9:02 A.M., IN THE COUNCIL CHAMBER, KALANA O MAUI BUILDING, WAILUKU, HAWAII, WITH CHAIR MICHAEL B. WHITE PRESIDING, FOR THE PURPOSE OF RECEIVING TESTIMONY ON THE PROPOSED OPERATING BUDGET AND CAPITAL IMPROVEMENTS PROGRAM FOR THE FISCAL YEAR JULY 1, 2015 TO JUNE 30, 2016.

CHAIR WHITE: This public hearing shall come to order.

Mr. Clerk, please proceed.

COUNTY CLERK DENNIS A. MATEO: Mr. Chair, proceeding with roll.

ROLL CALL

PRESENT: COUNCILMEMBERS ROBERT CARROLL, DONALD G. COUCH JR., S. STACY CRIVELLO, G. RIKI HOKAMA, MICHAEL P. VICTORINO, VICE-CHAIR DONALD S. GUZMAN, AND CHAIR MICHAEL B. WHITE.

EXCUSED: COUNCILMEMBERS GLADYS C. BAISA AND ELEANORA COCHRAN.

(Councilmember Cochran was not present when the roll was called; however, she arrived at 10:10 a.m.)

There were approximately 50 members of the public in attendance.

COUNTY CLERK: Mr. Chair, we have seven Members present and two excused. A quorum is present to conduct the business of the Council.

CHAIR WHITE: Thank you very much. Mr. Clerk, was Notice of this Public Hearing properly published?

NOTICE OF PUBLIC HEARING

COUNTY CLERK: Mr. Chair, Notice of this Public Hearing on the proposed budget bills as listed on today's agenda was published on the May 19, and the May 22, issues in the Maui News, respectively.

CHAIR WHITE: Thank you very much. Members, the purpose of this public hearing is to receive public testimony on the proposed budget bills listed on today's public hearing agenda.

And before we proceed with the agenda, may I please request that everyone silence their cell phones.

And Mr. Clerk, let's proceed.

COUNTY CLERK: Mr. Chair, proceeding with presentation of public testimony. We have established limited telephone interactive communication that enables individuals from Hana, Lanai, and Molokai to provide testimony from our District Offices. Individuals who wish to offer testimony from Hana, Lanai, and Molokai, should now sign up with the District Office staff. Individuals who wish to offer testimony in the Council chamber, please sign up at the desk located on the eighth floor lobby just outside the chamber door.

Testimony at all locations is limited to the item listed on today's agenda. Pursuant to the Rules of the Council, each testifier is allowed to testify for up to three minutes with one minute to conclude if requested. When testifying, please state your name and the name of any organization you represent.

Hana Office, please identify yourself and introduce your first testifier.

MS. DAWN LONO: Good morning. This is Dawn Lono at the Hana Office and there is no one waiting to testify.

COUNTY CLERK: Lanai Office, please identify yourself and introduce your first testifier.

MS. DENISE FERNANDEZ: Good morning, Chair. This is Denise Fernandez on Lanai and there is no one waiting to testify.

COUNTY CLERK: Molokai Office, please identify yourself and introduce your first testifier.

MS. ELLA ALCON: Good morning, Chair. This is Ella Alcon on Molokai and there is no one here waiting to testify.

COUNTY CLERK: Thank you.

Mr. Chair, we have 17 individuals who have signed up to testify in the Council chamber. And the first person to testify in the chamber is Jim Smith, to be followed by Robert Joslin.

TESTIMONY

MR. JIM SMITH:

Good morning, Members of the Council. My name is Jim Smith. I'm from Haiku. I had a question for the Chair. The public hearing lists six separate items. Is there a three minutes for the public hearing on each item or just one item being a public hearing.

CHAIR WHITE: Well if you would, technically we have not stated in the Rules that you are limited. I'd prefer that you choose two items, instead of all six, but--

MR. SMITH: I, I certainly won't, won't do all six or take any more time than that.

CHAIR WHITE: --but, and I also would point out that you need to be testifying specifically on each of the six items.

MR. SMITH: I understand that.

CHAIR WHITE: Please proceed.

MR. SMITH: I, I'll begin by, by testifying on the item one which is the operating budget. And I'm grateful for, for each of you because you've probably had to deal with more than any other elected Member of Council that I've known in, in the time I've been here.

This budget, operating budget has just an incredible amount of stuff. But I would ask you first of all to stay real, be true to our Charter, because you have, you've been dealt with a make-believe world by this Administration. Creativity, fantasy, whatever, and it's here in the budget. And it's, example would be moving the budget program. The idea of a budget program first of all is ludicrous, but moving the budget program to the Mayor's Office.

Our Charter is very specific that the Department of Planning, Management, Department of Management, okay supervises the budget, they prepare the budget. If you look at that Section 1.3.5 *[sic]*, it tells you to refer to the Office of Mayor, and it says that the Managing Director has the duty, okay, to supervise the budget. And you are given a budget, the request that it be moved to the Office of Mayor. That's not our Charter. I would ask you to remove that.

That's three minutes on that issue. Is that three minutes. I'm sorry.

CHAIR WHITE: No, that's two, two and a half.

MR. SMITH: Oh, two and a half. Well then, then let me just mention another one which is this detail number 1238 which is this Upcountry Water Expansion Capital Fund. The problem is dysfunction. The problem is a Director of Department that's not doing the job. Not a lack of money. So please, don't do those funds.

All right, thank you. I'd like to now testify on the capital program.

The capital program to me is about as off into space as any I've ever seen. Right now in Haiku, you have a 44 lot subdivision being developed right in Haiku Town, by West Maui Land, okay. You've got this water shortage stuff you're working on and you're, you going to hit us that and then okay, and then you have these no capital improvements specific to that.

There is no connection between what you're, you're building an Iao Treatment Plant, you're building a Kihei Force things, you're spending \$20 million on just those two ideas, okay and then you're going to setup a fund to do capital for Upcountry Water list. And the water list itself isn't solved by money. It's solved by limiting demand. So you're not even being placed in the right place, okay. You're just being floated by this executive branch.

It's dysfunctional because they changed from operating budget, capital program to budget program and capital program in 1993. And it's been helter-skelter ever since because there's no such thing as a budget program, or, or a program budget. That

hides responsibility. It eliminates responsibility from the person who is inept. And that's why you have that.

It's a fraud. And you are being played and it doesn't stop even though you know it, it doesn't stop. You react to it as if it's serious. But please, as our capital improvement budget is considered, put it into a concept of what's happening in real time. Thank you very much, that was on that particular item.

The other, the last thing that I would like to testify on is this, this loans, all these loans, \$20,000 and \$20 million for this and that. This, we're just paid \$300,000 for the debt service for Launiupoko. And we'll be paying that for years. I think our debt service is \$40 million, real dollars, okay, real dollars.

What about us, what about the people that you don't see, the people who are real, that the Mayor doesn't see because he's so creative, he's got these imaginations things going on. But now we have a \$40 million debt service. And it doesn't get smaller. So I appreciate you being here and, and stay strong and stay real. Don't bite every time the hook is dangled in front of you. Thank you very much.

CHAIR WHITE: Thank you, Mr. Smith. Members, any questions for the testifier. Seeing none, thank you very much for being here this morning.

Mr. Clerk.

COUNTY CLERK: Next testifier is Robert Joslin, to be followed by Quincy Kahuhu.

MR. ROBERT JOSLIN, MAUI COUNTY BOARD OF WATER SUPPLY:

Good morning, Mr. Chairman, Members of the Council. My name is Robert Joslin and I'm the Vice-Chairman for the Board of Water Supply and have been for the last few years.

I am here to speak to one item on the budget and that has to do with our billing system. There was a million dollars scratched as a line item or reduced, I'm sorry, reduced down to 250,000 and that has to do with feeding the agreement that we have with City and County of Honolulu.

I have been asked to speak for the Board of Water Supply, your Board of Water Supply, for this issue. We would like to see the million dollar line item put back in to get our own "CIS system" in, which is our own customer information and billing system. We don't have one right now and we see a problem on the horizon if we stay

on the same path that we have with the mess up that I would call that happened in Honolulu.

I have a letter that's signed by me that should be amongst the Members, but I'd like to go a little off script here. City and County is proposing a ten year agreement that will escalate to a million dollars a year if we stay with them. Now, the system that was in place is, is unperforming, it won't perform to the standards that we came to the agreement with with City and County.

Kauai is backing out of it. Kauai is already a little bit ahead of it by having their own proposals out there ready to go on with the system that fits more of a County our size. The Oracle system, which is all the bells and whistles that went on into the Honolulu system that we tagged ourselves with is, is doesn't fit us and isn't going to work. And it's going to get expensive as every year goes by.

Taking the hundred, I'm sorry, taking the million dollars out of the budget messes up the . . . just it usurps the ability for us to move forward on our own. We will be forever married to that system in Honolulu if we don't do something about it within this budget cycle.

City and County, if they end it on us, where we don't carry forward with the greater amounts as every year goes on, we're going to be stuck without a system since we don't have one now. So we need that in place because of the curve, the curve that it takes you to get to our billing system that works for all of us in the County won't be up to speed because it doesn't exist.

Now they could cut it while we don't have anything. You know, you have a bunch of people around here trying to write bills and licking envelopes or something to get our billing system right. So I ask that the Council and Chair reconsider that line item. We'd like to move a million out of the 1236 Capital Improvement Reserve to, to take care of that.

CHAIR WHITE: Thank you, Mr. Joslin.

Members, any questions for the testifier?

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair.

Just a clarification, you said that if, something has to be done this cycle or what? Why does it, why is it this budget cycle that is so important.

MR. JOSLIN: City and County has, as I understand it, a, a, an agreement that they proposed to us to be executed by October of this year, that we sign on for a ten year agreement that escalates every year for ten years to the million dollars. So if we don't do it this year, we're signing a ten year agreement unless, unless the verbiage gets puts in that you can bail out of it at any time. Which I don't think they're going to do.

(Councilmember Hokama was excused from the public hearing at 9:17 a.m.)

COUNCILMEMBER COUCH: Okay, thank you, Chair.

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Quick clarification. The Board of Water Supply in Honolulu has agreed to opt out at any time we want to opt out. So check your records, it was stated here at the meeting that we would be allowed to opt out at any time. We had a meeting here with the Director from their Department of Water and he did state at any time he'd allow us to opt out. He knows we're moving in that direction to get our own system. Thank you, Chair.

CHAIR WHITE: Any further questions, Members. Seeing none, thank you very much for being here this morning.

MR. JOSLIN: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier Quincy Kahuhu, to be followed by Teresita Dumapay.

MR. QUINCY KAHUHU:

Good morning, Councilmembers.

CHAIR WHITE: Good morning.

MR. KAHUHU: My name is Quincy Kahuhu.

CHAIR WHITE: Could you pull the, pull the microphone down a little bit. Thank you.

MR. KAHUHU: My name is Quincy Kahuhu. I'm from Kihei and I wanted to find out about the bus pass. Is it going to be the same as \$60 or going to be the lowest price as \$25.

CHAIR WHITE: Well that will be determined today. But please state your concerns.

MR. KAHUHU: Well, actually when I ride the bus, it's like the, the driver tell me okay, it's good, but I get certain people that goes on the bus, they come from Kihei, and I don't know where they come from but they kind of not dressing good or dressing nice. When we come on the bus we want to be proper, clean and good. That's why I wanted to know and find out what's going on.

And, I would go, get up early in the morning to go to church and go someplace else and just take care my own job all day and all night.

(Councilmember Hokama returned to the hearing at 9:19 a.m.)

CHAIR WHITE: Well thank you for sharing with us this morning. Members, any questions for the testifier? Seeing none, thank you very much for coming this morning.

Mr. Clerk.

COUNTY CLERK: Next testifier Teresita Dumapay. Teresita Dumapay. Mr. Chair, the next individual to, to sign up to testify is Ryan Nobriga, to be followed by Melanie Brooks.

MR. RYAN NOBRIGA, WESTIN KAA NAPALI OCEAN RESORT VILLAS:

Aloha and good morning, Mr. Chairman and Councilmembers. My name is Ryan Nobriga, I'm the Hotel Manager at the Westin Kaanapali Ocean Resort Villas. I'm here on behalf of Angela Nolan, unfortunately she could not be here today. I have submitted copies of her written testimony.

As reflected in Ms. Nolan's testimony, I would like to address the large disparity in taxation between timeshares versus all other categories in Maui's real property tax revenue budget. We ask the Council to recognize the contributions that full-service timeshares make to the community. Full-service timeshares like the Ocean Resort Villas provide good stable jobs, opportunities and sustainability and are no more of a burden on County infrastructure than any other resident or visitor.

The Council can achieve this by creating a sub-classification in the Hotel/Resort real property tax category under which "full-service timeshare properties" may qualify. With this solution, Maui can maintain its existing higher real property tax rate for timeshares that do not contribute to the local economy and at the same time acknowledge timeshare properties that are invested members of Maui's community and economy.

Full-service timeshares like Ocean Resort Villas provide owners with accommodations and amenities in a resort setting. At our resort, owner and guest amenities include a spa, pools, fitness centers and tennis courts, front-desk and valet attendants and services, and a Kids Club program.

However, the public also enjoys our full-service restaurants, banquet/event functions and a market and general store. More importantly we are absolutely committed to being excellent neighbors and community members.

For example over the past five years, we have reduced our electric consumption by 19 percent and water consumption by 20 percent. We also provide over 50 percent of our own electric power on property, which further reduces demand on the Maui Electric grid. Our shuttle system, which provides transportation for our owners from the resort to various locations, including Lahaina, takes about 300,000 cars off Maui roads every year.

Additionally, we receive our food and beverage and supply deliveries on a daily basis from many members and vendors on Maui. All resort tours and activities use local businesses as well. In fact almost 100 percent of our business operational expenses come from operations based in Hawaii.

Furthermore, our owners and associates volunteer for a variety of community organizations including the Maui Charity Walk, Relay for Life, Malama Honokowai, Malama Kaheawa, and the Maui Food Bank, as well as Habitat for Humanity, Make a Wish Foundation.

We also provide guidance, support, education, and career path information to Maui children and young adults.

Despite these significant contributions, we have been mischaracterized and unfairly penalized with the highest real property tax rates on Maui and in the State of Hawaii for years. For that reason, I urge the Council to take our suggestion and seriously consider creating a sub-classification for full-service timeshare properties. Mahalo.

CHAIR WHITE: Thank you, Mr. Nobriga.

Members, any questions for the testifier? Seeing none, thank you for being here this morning.

MR. NOBRIGA: Okay, thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: The next testifier is Melanie Brooks, to be followed by Vivian Lindsey.

MS. MELANIE BROOKS:

Good morning.

CHAIR WHITE: Could you bring the microphone down a little bit. Thank you.

MS. BROOKS: Okay, thank you.

Good morning, Mr. Chairman and Councilmembers. I'd like to address to the Council regarding bus fare increase and the elimination of the discount bus passes for seniors and students.

According to an article that I pulled up on the internet, a Keith Kessler of Kihei had protested some time ago with regard to the increase in bus fares. And evidently there is a lot in place and I can quote you the law, and just one moment. Evidently, according to U.S. Transportation and Federal Transit Administration website and I won't quote you the website. But the bottom line is the Federal subsidized transit provider must provide a discount to valid Medicare holders, not just seniors, but all Medicare recipients including, including the disabled.

Under 49 U.S.C. Section 5307(d)(1)(D) of the Federal Transit Act, Federal subsidized transit providers may not charge more than half of the peak price, peak fare for fixed rate, route transit during the off-peak hours for seniors and people with disabilities and Medicare card holders.

And then there was an article that was dated October 27, 2009 and in that article it basically states that the transit system, the Maui Bus system has logged more than 6,000 boardings per day. And it says it's not uncommon for the smaller, 25 passenger buses to experience overloading. Which means that the bus service itself has increased.

And later in the article it basically states that in 2009, two buses were purchased by a manufacturer in Riverside, California and 80 percent of the funding was subsidized by Federal funding and the remaining funded by the County of Maui.

And then, the next article that I wanted to basically refer to is an article that's dated August 15, 2013, and its Maui TV News and basically it says that 800,000 will, will be, will go to building ten bus shelters. And so the reason why I'm bringing this to your attention is someone like me who is a senior citizen on a fixed budget, it really impacts. I will have to instead of riding the bus, will have to walk. I have, right now I have, I'm on disability and so that's going to be substantial burden to myself.

CHAIR WHITE: If you could provide a concluding sentence, your time is, has expired.

MS. BROOKS: Okay, thank you. So basically what I'm saying is that for the, for students and seniors, I believe that is, is very unfair for them to eliminate a discount for us. Thank you.

CHAIR WHITE: Thank you very much. Members, any questions for the testifier? Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: The next testifier is Vivian Lindsey, to be followed by Clark Johnson.

MS. VIVIAN LINDSEY:

Good morning, Chair and the Maui County Councilmen. My name is Vivian Lindsey, Commissioner of the Maui County Commission for Disabled People advocating for the disabled people and the people living on fixed income. I stand before you to express my concerns as to, as to the importance of following through on the latest proposal regarding the bus fare.

The Title 6 of the Civil Rights Act of 1964 is at jeopardy here. MDOT is committed to insuring that no person using the Maui Bus or the Paratransit Service is discriminated against on the base of race, color, sex, age, religion, national origin, disability, low income, or limited English proficiency.

The original proposal by Riki Hokama violated the rights of the people of this community, forcing people to endure emotional burden. With all the, with all the testimonies presented to the Maui County Council regarding this proposal, it fell on

MS. SUE VAN BLARIGAN:

Aloha, my name is Sue Van Blarigan and I live in Maui Meadows and in my opinion the three can plan curbside recycling pilot program was extremely successful. It did not make sense to me when it was discontinued. I would like to see it reinstated and feel the additional cost of \$6.00 a month is very reasonable.

A hundred percent of the people I spoke with in the trial program would also like to have the three-can plan reinstated and are willing to pay the extra cost for this practical, convenient, and environmentally healthy program.

I'd like to thank Riki Hokama, the Budget and Finance Committee for including this service for \$6.00 additional a month in the proposed budget. I also want to thank the Mayor for allowing us to keep our green and blue bins so, in place so that it, the program could be easily reinstated.

And I urge the County Council and the Mayor to pass a budget with the three can plan included for the additional \$6.00 per month. Thank you.

CHAIR WHITE: Thank you. Members, questions for the testifier? Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: Mr. Chair, I believe that concludes testimony for the public hearing. And, Mr. Chair, we have received written testimony.

CHAIR WHITE: Members, without objections, we will accept the testimony for the record.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you. So ordered.

THERE BEING NO OBJECTION, WRITTEN TESTIMONY
RECEIVED FROM THE FOLLOWING INDIVIDUALS WERE
MADE A PART OF THE RECORD OF THIS PUBLIC
HEARING.

1. Robert Joslin, Vice Chairperson, Maui County Board of
Water Supply;
2. Angela Nolan, Westin Kaanapali Ocean Resort Villas;

deaf ears of Riki Hokama. He didn't care if the people of the community endured financial hardship. Please undo the damage and the justice be served in favor of the people of Maui County.

Please don't overlook the ADA passage signed into law on July 26, 1990 by President George H. W. Bush. Fairness and dignity for the people with disabilities to insure the basic guarantees of freedom of choice, control of their lives and the opportunity to blend fully and equally to be incorporated into the American society.

Thank you for your time.

CHAIR WHITE: Thank you, Ms. Lindsey. Members, any questions for the testifier? Seeing none, thank you for being here this morning, Ms. Lindsey.

Mr. Clerk.

COUNTY CLERK: The next testifier is Clark Johnson, to be followed by Lloyd Ginoza.

MR. CLARK JOHNSON:

Aloha and good morning, Mr. Chair and Councilmembers. My name is Kip Clark Johnson. Today I'm addressing the proposed bus fare increase by the County of Maui, which I do not support.

The personal stories that you are hearing today describe the hardships that we would endure through increased bus fares, which would make life more of a struggle. My budget is very tight. I rely on the bus since I cannot afford to drive my car. Parking is also a problem in Wailuku Town on week days as you are well aware. I will be returning to college, which means my finances will be even harder to manage.

The bus reduces traffic congestion. The bus is better for the environment. The bus allows people to access different parts of the island and please don't cut services, bus service either.

The proposal caused a lot of anxiety, fear and depression. What is it that the County is penalizing the low income or no income by cutting services and raising fees. They are people whose need is greatest. We are talking about brothers, sisters, aunts, uncles, mothers, fathers, and our friends. As concerned citizens and voting members of the community, we are very concerned about this growing trend by government agencies of cutting services and increasing fees. Have you ever tried giving up a car for a month and have little or no money to live on?

I request that you reconsider the bus fare increase and do what is right. This proposal is no fair bus fare. We appreciate your time, careful consideration of this issue. Thank you and mahalo.

CHAIR WHITE: Thank you very much, Mr. Johnson. Members, any questions for the testifier? Seeing none, thank you for being here this morning and sharing your thoughts.

MR. JOHNSON: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: The next testifier is Lloyd Ginoza, to be followed by Greg Howeth.

MR. LLOYD GINOZA:

Good morning, Chair and Councilmembers. My name is Lloyd Ginoza, representing myself. I am here to provide testimony for the public hearing on Appendix "B" relating to the golf fees. My concerns are focused on the golf fees proposed for the Residents with Resident Card and Retirees with Resident Card.

I do not have the statistics for the comparative number of rounds played during the year as compared to the prior year, but by observation, the number of rounds must be, must surely be much less than past years. The proposed rates basically increase the current rates by 50 percent for the Residents with Resident Card and by 100 percent for Retirees with Resident Card. Such an increase may most likely reduce the number of plays by these golfers, which would most likely reduce the revenues and increase the subsidies from the General Fund.

There were statement made, statements made that "nothing is free", to which I agree with the proviso that the sharing of the burden must be fair. The operations, the operation of the golf course is highlighted due to the accounting requirement that since the golf course operation is an enterprise fund, it must be separated from the General Fund. This, of course, highlights the amount of subsidies needed from the General Fund; however, the recovery of cost for, for the swimming pools, tennis courts, and other recreational activities are not discussed because the General Fund subsidies for these operations are not highlighted. I am not proposing fees for these recreational activities, but I am requesting that the Maui County Council review the General Fund subsidies required for the golf course operations in concert with the subsidies for these other recreational activities and facilities. Golfers may not be

swimmers or tennis players, and swimmers and tennis players may not be golfers, so the burden of the General Fund subsidies must be shared among these recreational activities.

The Maui County Council paid for and received the audit of the Waiehu Golf Course on October 29, 2008. The audit reported that the conditions of the golf course, especially with respect to weeds, were not good. There were suggestions to improve the conditions, but the problem still remains today. The audit also recommended not to increase the golf fees until the conditions of the golf course are improved, and to moderately increase the fees as the golf course conditions improve. I propose that before any increase in golf fees is made, a follow up audit of the golf course be made and discussed.

I sincerely hope that the foregoing testimony will provide an opportunity for a reconsideration of the proposed golf fee increases.

Thank you.

CHAIR WHITE: Thank you, Mr. Ginoza. Members, any questions for the testifier? Seeing none, thank you for being here.

Mr. Clerk.

COUNTY CLERK: Next testifier is Mr. Greg Howeth, followed by David Dorn.

MR. GREG HOWETH:

Good morning, good morning, Council Chair,

CHAIR WHITE: Good morning.

MR. HOWETH: Members of the County Council. My name is Greg Howeth, I'm the President of Lahaina Divers Inc. I also own a company Lahaina Dive & Surf LLC.

I'm here to testify today regarding the commercial ocean recreation activity permit fees. I understand that there has been a lot of debate and discussion on where fees are going. I know that the Mayor has had some pretty lofty goals on a budget. But a 600 percent increase in any business fees is exorbitant and should not be expected those businesses can, can carry that.

The changes that are being proposed to go to the fee structure is disingenuous when you take into account the way the actual permittees operate. Forcing people to take on one park eliminates the safety of being able to go to multiple parks during different weather conditions and different times we've had instances where we've had concerns over marine life incidents as well as surf and runoff.

It also puts the operators in a position of having to choose. It also makes it difficult for the local residents to be able to access these services as well. I request, I humbly request that you delay the discussion until you've had a chance to work more closely with the operators and take into some of those suggestions. Thank you.

CHAIR WHITE: Thank you, Mr. Howeth. Members, any questions for the testifier? Seeing none, thank you for sharing your thoughts this morning.

Mr. Clerk.

COUNTY CLERK: The next testifier is David Dorn, to be followed by Buck Joiner.

MR. DAVID DORN:

Hello. Aloha, Chairman and Council persons. My name is David Dorn, and I'm the owner of Action Sports Maui Watersports School. I have participated in watersports all my life and I have been a watersports instructor for over 35 years.

I am here to testify that the proposed increase in CORA permit fees is unfair, disproportionate, and will do irreparable harm to my community. Small water sports schools like mine collectively employ up to 400 local instructors and guides. This big fee increase hurts small schools and puts many of those jobs at risk.

CORA schools, instructors provide safe instruction for ocean recreation, in the sports of surfing, windsurfing, kiting, kayaking, snorkeling and scuba. CORA instructors also prevent many accidents in the oceans by informing the public as well as performing interventions, and many on-water rescues.

If you read the news, you will know that the ocean can be a dangerous place. Maui has had more than its fair share of accidents and tragedies in the water.

Maui County doesn't even have enough lifeguards, and they are spread very thin. Maui has 120 miles of coastline, 30 miles of beaches, but there are only about 11 lifeguard towers. And this budget might also reduce fire and rescue personnel as well. So how do we make the ocean safer?

Millions of people visit Maui beaches. Not only the locals but also the majority of Maui's visitors go to our beaches to engage in some sort of ocean based recreation, and most of them are totally unsupervised.

CORA has the ability to offer safe surfing lessons, scuba certification, experienced kayak and snorkel guides, and sports-specific instruction in windsurfing and kiteboarding. This is a far better alternative to people attempting to learn these sports on their own.

People need access to safe ocean recreation instruction. Without proper guidance, inexperienced ocean users could quickly become a danger to themselves and to others. The CORA industry helps to provide a safety net for participants, and helps to protect the public as well.

Local ocean recreation schools like mine have worked in partnership with the County for decades. These legitimate operators are closely regulated by the County and follow 42 pages of rules and have to meet strict standards. CORA is made up of many small schools and instructors, that follow the rules, obey laws, create jobs, pay taxes, and contribute to the local economy.

Please do not suddenly increase our permit fees so high without proper justification. No other industry on Maui has had to suffer such a severe and disproportionate increase of fees. Even the downhill biking permit proposed fees, pale in significance when compared to the proposed CORA increases.

Make no mistake, the proposed fee increase is an industry killer. And it will create untold hardship.

Please be akamai and pono and allow CORA schools and instructors to continue to provide these vital services to our community and help to make Maui's beaches and oceans safer for everyone. Thank you.

CHAIR WHITE: Thank you, Mr. Dorn. Members, questions?

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And thank you, Mr. Dorn for coming to testify.

I just want to get a clarification. You said you were a small--

MR. DORN: Small business.

COUNCILMEMBER COUCH: --business, small school, that you are employing 400 people.

MR. DORN: No, no, the, collectively, all the small schools together in the CORA industry employ about 400 people, yes.

COUNCILMEMBER COUCH: Okay, so you don't employ 400--

MR. DORN: No, no.

COUNCILMEMBER COUCH: Okay, thank you.

MR. DORN: Now--

CHAIR WHITE: Any further questions, Members. Seeing none, thank you for being here, Mr. Dorn.

Mr. Clerk.

COUNTY CLERK: Buck Joiner, to be followed by Jeff Strahn.

MR. BUCK JOINER:

Aloha kakou. Buck Joiner, testifying as an individual in my third decade on this platform speaking about the three can plan curbside recycling. Those of us who favor this are, do so because we really believe that curbside recycling needs to be maintained. We thank you for the \$6.00 cap which you have placed in the budget on that service and I believe that we can live with that.

If the three can plan curbside recycling is terminated now, we believe that it will never be restarted. The Energia waste to waste plant may never happen and that would leave us with only the maximum difficulty recycling. We really need curbside recycling and we believe if the Energia plant does not happen, then the, the curbside recycling needs to be expanded island-wide.

I have passed out a copy of the report from the Solid Waste Department that says that the cost is \$22.00 per person, per month. And, I, I find that this is bogus. The Mayor promised us that this report was supposed to provide the incremental cost associated with curbside recycling. In reality it, it does, they throw in everything they possibly can.

As, as an example, "Estimated Depreciated Cost of Dedicated Refuse Trucks" excuse me, it, do the trucks depreciate more because they're picking up a green can or a blue can than they do for a brown can? Absolutely not.

"Estimated Maintenance on the Cost of Refuse Trucks." Is the maintenance greater for blue and green cans than it is for brown cans? Absolutely not. These numbers are irrelevant and should not be in here.

The cost of maintenance repair and storage of what? Of the trucks? It's the same. That should not be in here.

The "Annual Cost of County Staff to Maintain this Program" \$47,000. Did you guys approve more money for staff for the three can plan? I don't think so. I think it's the same staff. This number should not be in here.

The "Annual Cost of Staff to Manage the Program" is shown in here. Is there additional cost, did, did you guys authorize additional hires for that? That's totally wrong.

Come down to the bottom on the left hand side, it says "Total Annual Program Cost" and then below that it says "Inflationary cost increase over 10 year period (3% annually)". Where in the world did that number come from. I can't even get to that without a five year expansion of the, at three percent.

Then the, the number at the bottom, the \$22.00 per month comes by dividing all of these fixed costs by 750 people, accounts. In reality--

CHAIR WHITE: If you could provide a--

MR. JOINER: --we have about 16--

CHAIR WHITE: --provide a concluding--

MR. JOINER: --1,600 accounts. So this is, this is just totally, totally bogus and irrelevant and an embarrassment to my friends, the, the Mayor and the County Manager.

CHAIR WHITE: Thank you, Mr. Joiner. Members, any questions for the testifier?

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And thank you, Mr. Joiner for being here and showing us this. Did you, you said you were okay with the \$6.00 amount. Did you do any, do you have anything to show us how that will fit in.

MR. JOINER: Well we have a Maui Meadows network which actually includes eight additional neighborhoods and it's an electronic bulletin board and we discuss that.

And, the clear, clearly there is great support for the \$6.00 additional cost. And in reality when I run through these, these numbers on this, on this thing and I take out all of the bogus stuff and I look at the actual incremental costs, it, it turns out in, in my opinion that you guys actually can make money on this because you save money on the landfill. And this report does not include the value of the recycled items. Where is that? The, all of the HI-5 items, the sale of the, of the paper, the plastic, it's not included in this. So, yes, I think that the \$6.00 will work with the public and we will, and those of us in support of this will work very hard to implement that.

COUNCILMEMBER COUCH: Okay, thank you, Chair.

CHAIR WHITE: Any further questions, Members. Seeing none, thank you for being here this morning, Mr. Joiner.

Mr. Clerk.

COUNTY CLERK: Next testifier is Jeff Strahn, to be followed by Roger Simonot.

MR. JEFF STRAHN:

Good morning, Councilmembers and Council Chair. My name is Jeff Strahn, I'm the General Manager of Maui Dive Shop and I have been for about 30 years now. I would like to speak out in opposition of the 600 percent increase of the CORA permits. I recognize that, that things cost more money and permits need to go up but I'd like to just talk about two topics of it and why it would be, that, an increase of that high would be devastating to us.

In our industry, we have a need for having multiple permits, okay, there are a variety of different reasons, the most common reason is, is because of safety. If there's big surf on one side of the island we need the ability to go to another side of the island. If there's a shark attack, we need, obviously don't want to go in there.

But there's many, many other reasons why our business needs multiple permits. Variety, as you well know, if you're going to become a certified diver, you're going to make six to eight dives during that certification process. And people in that class get a little bit tired of diving exact same beach time and time and time again. They want to see a variety of different places.

We have eight stores on the island and therefore there's a convenience argument. The convenience is is that if someone is is being serviced by one of our stores in Lahaina, it doesn't make sense to send them down to Ulua Beach in South Maui. So, we need to have multiple permits.

There's also a disbursement argument. If you go to request for proposal or you raise the rates where the permits are so, so costly. When we started this process some 20 years ago when Jo Anne Johnson asked me to sit on this committee, for fifty, a nominal \$50.00 fee I could do any discipline, in any park. And that went to \$250, and then it went to \$500, and then it went to a fee per park and then a per park, per disciple.

And my fees this year, last year were \$4,000 I have eight permits. This year the proposal is to go to \$24,000. So in a 20 year period of time my fees have gone from \$50, which was ridiculously cheap to \$24,000 which is absurd. It's absolutely absurd.

There's been comments, I think Mr. White you, you even made them about the comparison between what someone on, on Kaanapali would pay. It's completely apples and oranges. There's no 50 passenger catamarans out there. There's no, we've got a space in Whaler's Village. I've seen the studies, there's no 350,000 people of foot traffic going by there. And someone operating out of a County park just can't justify that kind of rent. It's great that you guys can get that at the hotel, but it's, it's apples and oranges. It really, it really, really is.

So in conclusion, I just want to say please reconsider raising the fees and until you have time to, to study this a little bit more. Thank you.

CHAIR WHITE: Members, questions for the testifier. Seeing none, thank you for being here, Mr. Strahn.

MR. STRAHN: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier is Roger Simonot, to be followed by Dave Goode.

MR. ROGER SIMONOT:

Good morning, Chair and Councilmembers. My name is Roger Simonot, I'm here representing myself and a small company I have with Maui Eco Tours, with the, in relation to the CORA increase in fees.

I don't really have a prepared, I don't really have a prepared speech here this morning but I just wanted to come down and, and, and show our concern regarding this astronomical increase.

I do hold three permits with that company and typically we only use one beach park, the other ones are backup parks. This kind of increase is very, you know, it's a hardship on us. Between the inability perhaps to raise investment capital for new equipment and things like that.

It's also a safety concern. If we don't have those backup beaches, you know there might be some, some a little bit of pressure to, to go when perhaps if you had a backup beach, a relocation is more appropriate.

And I did want to make one mention about, we also have, I'm not sure if the County Council's aware of this, but the State DLNR has also recently introduced more fees for ocean users. It's a, it's a three percent fee or a \$200 fee per month that's going to affect every ocean user commercially in the State. And so we're also, you know, we're getting hit on, on, you know multiple levels here as well.

We want to continue operating. We know there is value in using the beach parks, but I think, you know, if we, if we stop and think about this, if it's a, if the problem we're trying to solve is a financial one, maybe going into a percentage or fixed, fixed per head fee, but the flat fee is really going to hurt the small business. Thank you.

CHAIR WHITE: Thank you. Members, any questions for the testifier.

Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you. Real quickly, yes I was, I met with Mr. Ornellas yesterday and he did inform me about the changes that the State has put forward, the three percent or the \$200. And he also said that if they turn somebody down, they're not going to come through the park to go to the beach. So there are some, some new dynamics that have been coming up, Mr. Chair, that we may have to look at but we'll discuss that a little bit later. But thank you, Mr. Chair. Thank you for that information.

MR. SIMONOT: Thank you.

CHAIR WHITE: Any other questions?

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, can you tell us what type of CORA business do you have. It sounds like it's scuba diving, but I'm not sure.

MR. SIMONOT: No, it's kayaking.

COUNCILMEMBER COUCH: Kayaking.

MR. SIMONOT: Yeah, so--

COUNCILMEMBER COUCH: Okay, so you only go out of one beach out of the three that you could go.

MR. SIMONOT: Right.

COUNCILMEMBER COUCH: Okay.

MR. SIMONOT: And that's just logistics that's, it's a simple operation we have and--

COUNCILMEMBER COUCH: Okay, thank you, Chair.

CHAIR WHITE: Any further questions? Seeing none, thank you for being here this morning.

MR. SIMONOT: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier is David Goode, to be followed by Mitch Skaggerberg.

MR. DAVID GOODE, DIRECTOR OF PUBLIC WORKS:

Good morning, Chair.

CHAIR WHITE: Good morning.

DIRECTOR OF PUBLIC WORKS GOODE: Members of the Council. David Goode, here, Director of Department of Public Works. I'm testifying on behalf of DPW pertaining to the proposed budget.

In particular, I'm testifying on the changes to what is known as "Section 7", a small but important paragraph at the end of the budget ordinance that makes significant changes to the program budget as it relates to how and when budgeted amounts for salaries, operations, and equipment can or cannot be used interchangeably without necessitating Council approval. The proposed change would require that all programs not only stay within their budgeted amounts (which is currently how we do things), but all programs must stay within their allocated category of use – salaries, operations, and equipment budgets – and not intermingle without Council approval. There are other changes related to doing work cross-departmentally as well for which I'm not testifying on today but quite frankly I'm not sure what all will be affected in that proposed change.

I didn't testify on this during the presentation of the budget, in answering your specific questions because I thought it was more of a general issue than a departmental issue.

But I'm here today. I have two observations on this change. The first is that we will be more conservative in our spending and on, and in response to issues that come up that requires spending than we have been in the past. This is a natural reaction and will be universal across the department for those that authorize spending. Why? Because the penalties in the Charter are significant – fines and jail time. We will seek Council approval of any changes that may be needed during the course of the year, but we can't guarantee of course that those changes will be approved. So naturally, we will err on the side of - you guessed it – not going to jail. The first area where this could appear is in our response to non-declared emergencies – the kind of events we have with some regularity. Friday afternoon was another example of a, a short rain event that required our response. Our response may, not saying it will, but it may, depending on the time of the year and the funds remaining, be to minimize our operational cost and work primarily on scheduled work times and hours.

My second observation is that this is a significant change to how we budget and spend funds and the change is very abrupt and without the broad discussion and analyzing all the impacts. I'll conclude here quickly. Certainly there's pros and cons to it. I'm not saying there is no pro here, there are definitely pros and cons to it. But I don't recall more than an hour or two of discussion on this item during the deliberations, whereas a full and broad discussion should be had in Budget Committee as a separate item. Therefore, my recommendation is to not change

"Section 7" at this time and refer the changes to Committee. We look forward to a discussion at that time. Mahalo.

CHAIR WHITE: Thank you, Mr. Goode. Any questions for the testifier, Members? Seeing none, thank you for being here this morning.

DIRECTOR OF PUBLIC WORKS GOODE: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier is Mitch Skaggerberg, to be followed by Michael Covich.

MR. MITCH SKAGGERBERG:

Good morning, Chairman White.

CHAIR WHITE: Good morning.

MR. SKAGGERBERG: Councilmen and women. My name is Mitch Skaggerberg, testifying on behalf of the Maui County Veterans Council. I had passed out a request for our annual budget several weeks ago to the Budget Committee. I'm here to explain why we're asking for operating budget of 16,000 this year.

Fifteen years ago, we had to work for five years to get us our VA facilities here, our clinic, our Vet. Center and our Voc. Rehab Program. We have the opportunity to do the same thing this year. We're looking at expanding and moving all those facilities to one site. We're going to need quite a bit of money and a lot of lobbying because there's some opposition to that.

The current clinic and the other programs have brought in over the last 14 years, \$6,500,000 into the economy. We decided to do a, an evaluation of the type of money that the Veterans here are bringing in substantial. We think with the new all in one complex, which is going to be larger, and with the emphasis on going after the Afghan and Iraqi veterans, we're going to bring in about \$10,000,000 over about an eight year period.

So, we think this is a real sound investment and this \$16,000 will probably carry us very well for about a year or two. Then we can go back to the 9,000 that we've been getting. I know about eight, ten years ago, we used to get 18,000 and then we split that nine and nine for Molokai, which we support. We're also aging so we need to outsource a bunch of our printing and other costs.

But we're asking you to really look at the, the impact that this new facility will bring and what we've already brought in. We have over 3,000 Veterans using the clinic and the Vet. Center. And we've had over, almost a thousand people with the Voc. Rehab Program, which is actually bettered the life of those thousand families. So we ask you for your generosity and understand that the return will be very large, but also will support the Veterans. We, we've done 20,000 hours of work in the last 14 years and we haven't asked for one penny in return. So thank you, Council.

CHAIR WHITE: Thank you, Mr. Skaggerberg. Members, questions for the testifier? Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: Next testifier is Michael Covich, to be followed by Lisa Darcy.

MR. MICHAEL COVICH:

Good morning, Chair, Councilmembers. I'd like to apologize to the Chair, the Chair of the Finance Committee, Sandy Baz and the Councilmembers for not being on top of this earlier this year. We had our own little internal things going on.

Over the years, we've spent a lot of personal money trying to lobby for different things. We were in danger of losing the expansion at the high school. We need to be able to have the extra funds so we can effectively go and lobby at the State level, at the VA level in, in Honolulu, and it's nice to be able to go over and try to talk to your Senators face to face cause they don't get over very often. It takes a long time cause you got to get on a plane, you got to go over, you got to hang around, you got to wait for the meeting, you got to fly back.

We have the willpower to do this, but we lack the funds. Over the years, the Veteran's expansion of the cemetery, we're still working on getting that done. I'm still scared if that's going to be done on time. However, the extra money, we're asking for will be well spent lobbying as we obviously have to bring better benefits for veterans.

Every time we get a veteran through the system and he gets service connected, that's \$3,000 of unearned income brought to this island and spent. Every penny of that gets spent on this island. I think it's important that you help us out. A few years ago, I had \$18,000 in personal deposition costs going against the VA when we were trying to get the first clinic here expanded. I can't afford that any more. I wish I could, I wouldn't have to come and ask you guys for money.

I realize we slipped through the cracks by not effectively lobbying you guys before this so I'm asking you to take into consideration the things we've done, the right thing we've done for Veterans in the community over the years and give us this increase. Thank you very much.

CHAIR WHITE: Thank you, Mr. Covich. Members, questions for the testifier? Seeing none, thank you for being here this morning.

And before Ms. Darcy starts, the Chair does acknowledge that we have a 10:00 Council meeting, but we will finish going through these testimonies first. Thank you.

Please proceed.

COUNTY CLERK: The next testifier is Lisa Darcy, to be followed by Linda Del Rosario.

MS. LISA DARCY:

Good morning, Council. Thank you very much for allowing us to have testimony today. My name is Lisa Darcy, and I come here as a very active community member. I am interested in testifying on the process by which the bus fare recommendation happened and I understand the decision has been postponed or tabled and the increase is not expected to happen. However I would like to testify on the process by which this happened.

In my opinion, our communication system for the fare increases is broken. As an active member of the Maui Disability Alliance, as the Transportation Chair; a participant in the Maui Homeless Alliance, as the Membership Chair; former Mental Health America Board member; current Hawaii Public Housing Board members; and participant on the Persons with, the Commission with Persons with Disabilities, I was shocked to hear that this proposal happened.

The County has over 5,500 individuals on fixed incomes and that means that they're living on about \$740 a month. There are countless more who live on less. As an active member of all of these committees and in the community, I recognize that there was no inclusion with our voice in this process in that fare recommendation.

My testimony is to acknowledge the needs of those community members who are not being valued in this process. And I again stand before you respectfully asking and requesting that the Council provide access to these alliances and boards to participate in this process.

As a result of this information, Maui Economic Opportunity has actually changed some of their processes and is implementing changes to provide education and forums for this community in order for their voice to be heard. I respectfully request that the Commission and the Council who is responsible for gathering this information, include these individuals and value their information.

There are solutions to support individuals to become independent in our community and we have to find those solutions. This proposal came about without much consultation from our community. And even though I understand again that this is being tabled and the proposal for the fare increase will not go forward, it is really important that this Council recognize and bring in information that will be valuable to this entire community. Thank you.

CHAIR WHITE: Thank you, Ms. Darcy. Members, any questions for the testifier? Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: The next testifier is Linda Del Rosario, followed by Clarence Fune.

MS. LINDA DEL ROSARIO:

Good morning, everyone. My name is Linda Del Rosario. I'm a widow of a Veteran and I'm on a fixed income. And I bought my income in to tell you, to show you actually, that the bus fare hike is going to like, devastate my income. As you can see, I get general assistance for \$348. I get Food Stamps, which is \$297. It totals to this. After my rent, for the bus pass that I pay now, and my hygiene now and my phone, it gets to this. And then it leaves me this much money left. And I was thinking like, okay, if I get this for money, money, and this is for my Food Stamps, how does this end up getting less than this.

I don't know if the Council people understand this, but it's going to be hardship. I walk all over the place right now because I can't really actually afford the bus fare either. And, I wanted to know if they like take into account for everyone that has disabilities. That's it really hard for us to even manage just to get through this month to month thing.

And I hope that you take into account for us. And thank you very much.

CHAIR WHITE: Thank you very much. Members, any questions for the testifier?

COUNCILMEMBER VICTORINO: Yeah, I was wondering--

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Yeah, before you go on, would she be willing to leave that so that we have an actual copy, if you'd be willing to leave that.

MS. DEL ROSARIO: Yes I would.

COUNCILMEMBER VICTORINO: Okay, please. And, not at this time, Mr. Chair, but at a later point, I, you know, like these different copies to be submitted and--

CHAIR WHITE: That's fine.

COUNCILMEMBER VICTORINO: Thank you, Chair.

MS. DEL ROSARIO: You're very welcome.

CHAIR WHITE: Any other questions for the testifier? Seeing none, thank you for being here this morning, Ms. Del Rosario.

Mr. Clerk.

COUNTY CLERK: The next testifier is Clarence Fune, to be followed by Rob Dewolf.

MR. CLARENCE FUNE:

Aloha, Chair, Vice-Chair and to the County Council. My name is Clarence Fune. I'm here to testify on the ordinance related to proposed operating budget. I would like to start off by saying we have probably the fastest growing bus system in the nation. We also have one of the, we also have one of the easiest bus routes to read and follow. We care about this bus system so much that most of us ride on a daily basis and rely on it for necessary public transportation needs to go to work and for basic travel, destinations in different part of the island depending on where the person needs to be and at what time.

(Councilmember Cochran arrived at the public hearing at 10:10 a.m.)

MR. FUNE: I am a regular on the Maui Bus and I do see areas of this bus, bus system that may need some work on. As our system is still developing, I am hoping that we can

meet our community's needs as we work on the next step to improve our transportation.

If we are going to start paying the same fares as Oahu, then I would like you to find some solutions on ways you can make our bus system match Oahu's bus system. Here are some concerns I have. I think people who ride the bus need the all-around flexible hours that Oahu has so we can come home from work, especially for those who work late shifts. Also it would help cut down on drunk driving and have less fatalities. Plus people are just simply too tired to drive home.

A lot of our community depends on the Maui Bus and I hope we can come to an understanding on this. Also there are a lot of people who can't afford a car, neither alone pay for gas. They can barely afford a monthly bus pass, with a lot of people who are at poverty level making ends meet. The bus is how we save money, not spend, spend more. So, please, please think of ways and please communicate first so we can work together to develop bus fares in ways that will make a difference in our communities lives. Aloha.

CHAIR WHITE: Thank you for your testimony, Mr. Fune. Members, any questions for the testifier? Seeing none, thank you very much.

And before you proceed, Mr. Clerk, I'd like to recognize the presence of Councilmember Cochran.

COUNCILMEMBER COCHRAN: Thank you very much, Chair.

CHAIR WHITE: Good morning.

Please proceed.

COUNTY CLERK: The next testifier is Rob Dewolf, to be followed by Anastasia Young.

MR. ROB DEWOLF:

Good morning, Chair White, Councilmembers. My name is Rob Dewolf.

(Councilmember Baisa was excused from the public hearing at 10:13 a.m.)

MR. DEWOLF: I'm here to testify on behalf of being a Maui County citizen that rides the bus and this is regarding the rate increase. I, I'm going to keep this simple. I'm a senior bus pass monthly holder and I've been a monthly bus pass holder for the last two

years. It's my major transportation. And I mean this in a very respectful way. I see a lot of people here that I ride the bus with. I don't recognize too many of you Councilmembers riding the bus.

This rate increase is going to harm us, a lot of us that are in, in low income financial positions. There are other ways it could benefit if we need to raise rates and one option could be, I notice a lot of tourist riding the buses. They're happy to pay the low fare for themselves being on vacation. There's ways that would be fair, that would, would be easier for them to help with the raising of the rates but I believe for a lot of people if we could keep the monthly rates where they're at it would help even if it's a daily increase on a, on a daily rate. But the monthly bus passes are a, are a very beneficial way for people that don't have vehicles to get around Maui. All right, that's it, thank you.

CHAIR WHITE: Thank you. Members, any other questions for the testifier? Seeing none, thanks for being here this morning, Mr. Dewolf.

Mr. Clerk.

COUNTY CLERK: Next testifier is Anastasia Young, to be followed by Renee Leong.

(Councilmember Baisa returned to the public hearing at 10:14 a.m.)

MS. ANASTASIA YOUNG:

Aloha, to . . . and our good County Council on this beautiful day, on our beautiful island of Maui. My name is Anastasia Young, I am here today to let you know that I oppose this proposal of the raise on the price on the Maui bus. Though it will not affect my pocket directly, I am epileptic, not allowed to drive and considered disabled, you may remember me from a couple of years ago. Thank you for putting out the disabled pass as needed; however, this affects my heart and mind and many of my friends and neighbors, this also is why I'm here. I am certain there are many ways, you the County can make monthly, or money without doing this if you would just think about it. You are all very smart and powerful people, right.

It seems as though you have turned riding the bus into a money making business rather than, instead of a low cost service to the public. Prices have doubled in the last couple of years and, while the price of gas has gone down by about two-thirds.

You could find other ways. Everybody I've ever talked to about it, even a bunch of the drivers of the bus think that we should have later routes, especially Lahaina,

Kihei, Haiku, even the Upcountry and the Kaanapali bus. I propose making another like part-time shift later in the evening to catch all the people coming home from Kaahumanu, you know, even the last of the shoppers, that means at least like 10:00, 10:30. Or even on through to the end of the night, like as some other people have said to catch all the drunk drivers so that they wouldn't be as many fatalities, accidents, etc.

Many people prefer the bus to driving their own car, renting a car, that includes the tourist. I know this because I ride the bus several times a day, nearly every day. I'm not allowed to drive.

You could choose to buy the new buses a year later, you know, possibly raise the temperature in the bus, if that's not a health hazard. Everyone including the tourist, and even a lot of the drivers think it's freezing cold on the bus. I know that you the County have other ways of making or getting money without going this far, this fast.

Yesterday I went and got a, made a petition and got about, let's see, 52 signatures at the mall from mall workers that would love to ride the bus if it ran later to the end of the night, you know, so to catch them at the end of their shift. And then, total now by this morning I've got about 90 signatures and anyway. Mahalo, aloha.

CHAIR WHITE: Thank you, Ms. Young. Members, any other questions for the testifier? Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: The next testifier is Renee Leong, to be followed by Rick Leong.

MS. RENEE LEONG:

Good morning, Mr. Chair and Councilmembers. My name is Renee Leong, I'm the wife of Rick Leong. He's the permit holder for Kelii's Kayak Tours, excuse me, Kelii's Enterprises, the dba Hawaiian Style Surf School. We hold two CORA permits and what we're doing here today is proposing that you consider or reconsider the increase on the CORA fees. We've been holding permits for ocean recreation activities for over 20 years and we understand and expect increases for operating expenses.

But we, and we welcome them actually, especially when you're going to use the funds, or appropriate the funds for beach improvements because many of our beach parks do need improvements.

(Councilmember Crivello was excused from the public hearing at 10:19 a.m.)

MS. LEONG: We are a small, family owned, or family run operation. It keeps my husband busy with work, my children, my son-in-law and just a few others. As a mom, I don't think it's selfish of me to want to keep my children here in Hawaii. We've been living here, they were born and raised here.

The proposed CORA fee makes it very difficult for them to stay here because it's, it's hard to operate with these extreme increase proposals such as starting at 150 percent and going on up, as I understand is proposed. I feel that's an extreme hike and I respect, respectfully request that you consider a more modest or reasonable increase, maybe starting at around 100 percent. Please consider a more gradual increase for us, which would allow us to continue operating our family business as well as keeping our kids here on the island of their birth.

This will also allow us to keep our ticket prices affordable for our customers, keep them coming back to our Valley Isle. So, we welcome again, as I mention these permit increases, if, if you folks would appropriate some of the funds to improving the locations of these beach parks. They are really in need in some cases.

Our intention is to keep our family here on the island they, that they love. And we want to turn our business over to our children and hopefully our grandchildren one day. We take pride in giving our customers a fun experience here when they come, but also safe. And by operating with these, under these CORA rules, that includes having these liability insurances. So, this covers the County's liability as well and we want everybody to be safe and to be taken care of that way.

This will keep the visitors coming back, increasing the revenue for our economy. So this will all benefit the whole County of Maui and the State as well. So please help us keep our business viable. You can do this by considering a more modest, reasonable CORA permit fee, or perhaps deferring this item on the budget for another time. Thank you for your consideration on this matter again. I'm Renee Leong and I'm in opposition to the suggested CORA permit increase. Thank you.

CHAIR WHITE: Thank you, Ms. Leong. Members, any questions for the testifier? Seeing none, thank you for being here.

Mr. Clerk.

COUNTY CLERK: The next testifier is Rick Leong, to be followed by Pamela Tumpap.

(Councilmember Victorino was excused from the public hearing at 10:21 a.m.)

MR. RICK LEONG:

Aloha, Chairman and County Councilmembers. My name is Rick Leong, and that was my wife. We've been operating for 24 years as, as a family business. We're born and raised here.

So in 1992 when we started an ocean recreational business, I've been CORA permit holder since the inception of this CORA arrangement. Yearly we prove to be fully compliant with the CORA State, Federal, GE tax laws, and we work hard to build an honest business. Every year we apply for a new permit and before we can even apply, all these features, our taxes all have to be cleared. So apparently we've been doing an honest legal business all these years.

Now, we as my wife mentioned, the State and County is insured so that as we handheld our, or hold our hands of our customers and bring them to the beach for a safe event--

(Councilmembers Crivello and Victorino returned to the public hearing at 10:23 a.m.)

MR. LEONG: --it, it's, it's helping us to not only create a safer environment, filling them with the local knowledge and customs, but it contributes to an, a large tourist industry which we are a very small part of.

The tourist industry employs hundreds of people in the State of Hawaii bringing millions of dollars in revenue, to not just Maui, but the State of Hawaii in general. We have travel agents, we have destination management companies who bring in thousands of corporate people here to enjoy Maui and what it has to offer. We have airlines, hotels, transportation, car rentals, restaurants, gift shops, grocery stores, and our activities, ocean or land. The CORA permit holders, we're just a small part of a, of a large industry that contributes to the economics of Hawaii in general.

So couple questions. What are the fees being used for at this point. We've been paying these fees for the, for the park. Is it for enforcement, is it to improve the parks, is it to take care of the illegal operator that are right outside the park, which has been continuing to work all these years. They're making money, we're trying to make money legally, and we getting forced out of the business.

Ukumehame, one of the parks that I use is pretty shameful. It's got safety hazards, there is no water, no toilets. I'm bringing in corporate America to a beautiful beach

and we have to watch that we don't kick ourselves on a bench that's overturned or a piece of pipe sticking out, that's just dangerous.

Please don't let, don't overregulate or require enormous fees or taxes from the hard earned businesses that like I said over 20 years we built this, this company. It's a small family business. I like, when you refer to Maui real estate, it's easy to get top money for your real estate, but in the interim, we remove a lot of people that used to live here because they can't afford the taxes or the assessments. So think about that when it comes to our business.

I suggest, respectfully suggest, we make an amendment to perhaps a modest increase like my wife says 100 percent, maybe \$1,000 for the first park and 500 for any other parks after that. But, we can deal with that, we can work with it, but help us out. Thank you so much. Aloha.

CHAIR WHITE: Thank you, Mr. Leong. Members, any questions for the testifier? Seeing none, thank you for being here.

MR. LEONG: Okay.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier is Pamela Tumpap, to be followed by Alan Cadiz.

MS. PAMELA TUMPAP, MAUI CHAMBER OF COMMERCE:

Aloha and good morning, Chair White and Councilmembers. I'm Pamela Tumpap, President of the Maui Chamber of Commerce and I thank you for the opportunity to be here to testify on the budget today.

We know that you have many competing interests and you know, we really appreciate your taking the time to hear all of those. And at the Chamber, we have and have continued to ask the County to focus on priorities, pay down our debt, make strategic investments that net significant returns in terms of economic growth and look at ways to reduce cost for the County.

In many cases, this year, we have appreciated that you've worked to reduce costs and bring down important things like taxes, with real property assessments going up that you've brought down the tax valuation, so we appreciate that. The homeowners' rate has historically been low, so we feel it is okay for that rate to stay the same.

Not in my testimony that we submitted but I do want to echo that I was glad to hear that you're looking to keep the bus rates the same and that change has been proposed again to keep them the same. And I would just like to advocate for an annual pass to be able to sell an annual pass and I feel that you could also make additional income as a mother who frequently buys those passes if one is lost or stolen or whatever and needs to be replaced, there's fees that could be, a nominal fee, like \$10 could be charged for a replacement of an annual pass.

I do want to of course support economic development initiatives. And your continued support of small businesses as well as your continued support of our agriculture, our high tech, our manufacturing, and most importantly our visitor industry. By your increased investment in these industries, we are netting signification returns and that is very important to our community.

On the issue of fuel tax, Chambers of Commerce and motor vehicle registration tax, Chambers of Commerce are supporting on a national level, an increase in these taxes because we know that we need reinvestment in our roads, our highways, our bridges, and transportation areas. And we know we need that here too. So, we, but we're worried about the staggering because we're worried about how this is getting looked at as an increased tax on a Federal level, possibility of State and County. So we'd like to see more and we'd to have a better understanding that if that tax were passed that it was going to be used for its intended purpose.

I also want to talk about increase in fees, and the big fee as you know cause I've reached out to you is the CORA permit fee hike. 600 percent is astronomical. While we've worked and talked to people in the industry and while they're willing to help participate, that fee is just too high and all businesses we talked to feel that it's outrageous, would be very harmful to their industry and because of the hike proposed it gives them cause for concern. We feel there is room to allow new permits operators because as I've heard, you've heard today, there are permits that have been released and so they've gone from 417 to a 118 permits. That gives us room. Additional beach parks are available. That gives us room.

So there's ways to make additional money there without such an enormous hike on that industry.

CHAIR WHITE: Thank you, Ms. Tumpap. Members, any questions for the testifier? Seeing none, thank you for being here this morning.

MS. TUMPAP: Thank you, aloha.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Alan Cadiz, to be followed by Debra Greene.

MR. ALAN CADIZ:

Thank you, Chair. Thank you, Councilmembers for this opportunity to speak. My name is Alan Cadiz. I am owner and operator of HST. We teach wind sports and surfing at Kanaha Beach Park and occasionally on the south side. I have about a dozen employees. I'm opposed to the fee increase.

I want to start my testimony with reading the Park's Department mission statement: "provide safe satisfying and cost-effective recreational opportunities for the residents of and the visitors to Maui County."

This could be my business mission statement, and that's what I've been doing for the last 30 years.

Now I want to read a portion of the Hawaii Statewide Comprehensive Outdoor Recreation Plan 2015 Update. It's from page 47, "Beach activities are the single-most popular outdoor recreational activity among visitors to Hawaii". It also says in the first three words of the first strategy, I'm sorry, what I'm saying is the first three words of the first strategy of the first goal of the Hawaii State Comprehensive Outdoor Recreation Plan for 2015 are "support beach activities". It also says a little further down on page 89, "support lifestyle sports".

The activities that we teach are lifetime sports, surfing, windsurfing, kitesurfing, and the other CORA activities, scuba and kayaking are lifetime sports. Zip lining has its place but have you ever heard someone say, "I'm a zip liner" or "I'm a banana boat rider". You know the, the Maui residents that have taken up the sports that we introduced to them go back to the Maui water sports shops and buy boards and equipment, roof racks and board shorts, etc. The shop then orders more inventory from the manufacturers. The manufacturers keep their workers employed and so on.

The visitors return year after year for our instruction and guidance. They rent cars, stay in hotels, dine out. Our water sports schools support more than one industry.

Now, last week, I was here in Council chambers and I had the opportunity to listen to some great pitches from some great people for some great ideas. They were all asking for grant money from the OED to start or expand their worthy businesses. By doing so would improve the Maui economy. This is consistent with the OED because

OED funds are help, "OED funds help to promote Maui's destination and cultural assets to the visitors while furthering economic development."

Now, I'm not asking for a grant, but I'm asking you to ask yourself what is the difference between their pitch to OED and what I am and the rest of ocean recreation service providers doing to better the economy, to promote tourism, to teach and guide these "lifetime spots" with a high degree of professionalism, to act as life guards where there are none, and last but not least, to stewards, and to be stewards and educators of the environment.

In closing, I want, I just want to be appreciated and acknowledged for the work we have done to build and maintain a portion of both the Maui economy and visitor industry. Thank you.

CHAIR WHITE: Thank you, Mr. Cadiz. Members, any questions for the testifier? Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: Calling Debra Greene, to be followed by David Moore.

CHAIR WHITE: Good morning.

MS. DEBRA GREENE:

Good morning, Honorable Chair, Councilmembers, staff, members of the community. My name is Debra Greene, and I currently serve as President of the Maui Meadows Neighborhood Association and I'm testifying on behalf of the Association and its constituents. We wholeheartedly support the Council's proposal to reinstate the three can curbside recycling program at \$6.00 a month and we thank you for seeing that that's the sensible thing to do.

We have polled our membership and about 93 percent agree to pay at least \$6.00 a month for the service. We oppose the Mayor's proposal to charge us \$22.00 a month for a service that we've been told costs about \$6.00 a month. If money is an issue, reinstating the three can plan could actually save the County money because of the contract for processing recyclables at the drop boxes. Curbside recycling is substantially less expensive than drop box recycling.

And with about 1,500 Kihei area households potentially affected, that represents a significant savings. If Energia is the issue, it could be several years before that

operation is up and running along with some significant obstacles to overcome along the way. In the meantime, we need to keep recycling and protect the environment.

We also object to the way the Department of Environmental Management has gone about this whole process, engaging in misinformation and putting forth numbers that change, different numbers at different times, and most recently, highly questionable numbers. As my colleague Buck Joiner described, there are many line items in the proposed \$22.00 a month that don't belong there. Clearly padded to make it look like the three can program is more expensive than it really is.

And their so called survey that was sent out wouldn't qualify as a survey by even the most generous of definitions. It was insulting to the intelligence of those who received it. It was a text intensive two page mailing that was clearly biased and designed to elicit the desired response to kill the program. For starters, it stated that if you disagreed with the \$22.00 a month, you could simply not return the survey. This bogus option allowed the department to count all non-returned surveys as no votes regardless of the multitude of reasons why people might not respond.

Is the Administration not embarrassed by these blatant, biased, and unprofessional actions on the part of that department. As we understand it, that department is undergoing an audit because of unanswered questions and confusion around fiscal management. In this light we believe that a subsidized program that was prematurely halted by that department be reinstated and we are willing to pay the \$6.00 a month fee that was originally put forth by Mr. Ginoza himself in front of our membership at our general meeting in January. Thank you very much.

CHAIR WHITE: Thank you, Ms. Greene. Members, any questions for the testifier? Seeing none, thank you for being here this morning.

MS. GREENE: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier is David Moore, to be followed by Kaila Nelson-Floto.

MR. DAVID MOORE:

Good morning, Chairman White and Councilmembers. My name is David Moore, I'm here representing myself as a resident of Maui Meadows and ask you to reinstate the three can plan at the \$6.00 a month fee.

I believe it is a viable plan partly based on my experience of having lived in a town called Upper Arlington, Ohio previously. In 1992 that City Council implemented a solid waste plan that essentially charged a nominal fee for green waste collection and refuse collection and agreed to collect recyclables at no charge. That plan has remained in effect essentially on that basis for the last 23 years. Upper Arlington is part of the Metropolitan Columbus area. Columbus had an unfortunate experience a few years ago when they built a trash burning electrical power plant. The cost of operating what was then a new technology proved to be so high that the plant could not be operated profitably and had to be demolished essentially in the long run.

I thank you for your kind attention.

CHAIR WHITE: Thank you, Mr. Moore. Members, any questions for the testifier?

VICE-CHAIR GUZMAN: Chair, can I have a quick recess.

CHAIR WHITE: Quick recess, at the call of the Chair.

(THE PUBLIC HEARING WAS RECESSED BY THE CHAIR AT 10:37 A.M., AND WAS RECONVENED AT 10:38 A.M., WITH ALL MEMBERS PRESENT, EXCEPT MEMBER BAISA, EXCUSED.)

CHAIR WHITE: This public hearing shall come back to order.

Mr. Clerk, please proceed.

COUNTY CLERK: Next testifier is Kaila Nelson-Floto, to be followed by Patricia B. Cadiz.

MS. KAILA NELSON-FLOTO:

Aloha. My name is Kaila Nelson-Floto and I'm here representing myself and many people in my community who are very much in favor of reinstating the three can curbside recycling plan and are willing to pay the \$6.00 a month fee that this would incur.

Debra Greene and Buck Joiner already discussed some of the financial aspects of this. I would like to discuss this issue in terms of the environmental aspect. There are many highly successful curbside recycling programs in many states and countries in the world who are all moving towards sustainability. We live on a precious little island where sustainability should be a very important issue. Just recycling paper

alone saves so many trees that we need for our, for clean air. It reduces, recycling reduces dependence upon fossil fuels, preserves world resources, reduces landfills.

As far as the conversation about Energia, a mainland company that is proposed to come in here and build a plant, a huge incinerator to burn our rubbish. Before World War II, there were hundreds of these types of incinerators burning rubbish. What happened was the effects of these plants were that they produced offensive odors, noxious gases, and irritating particulates in the air.

We are already impacted here by, by the vog, by cane burning, by pesticide spraying, and we have a high incidence of childhood asthma. We have many adults with asthma and allergy problems. I have seen friends of mine over the years after living here so many years all of a sudden they have asthma, they have allergies because of our air. Why would we want to pollute our air any further with a giant incinerator.

I think these are very important issues and I think preserving our environment is crucial and essential. Thank you so much for listening.

CHAIR WHITE: Thank you very much. Hold on just a moment, please.

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I just wanted to clarify something that there is no giant incinerator ever being planned. It is not, so I just want to make sure this information isn't being out there. Thank you.

MS. NELSON-FLOTO: Can, can you explain what Energia is proposing then, if not an incinerator. I, I was told that's what it was.

CHAIR WHITE: Yeah, it's, it's not an incinerator.

MS. NELSON-FLOTO: It's not.

CHAIR WHITE: It's a waste to value program as we've, as has been explained to us so. There'll be selling the fuel pellets to others but not, not--

MS. NELSON-FLOTO: Yes, and I've been told that that--

CHAIR WHITE: We're, we're, that's not on the, on the agenda this morning so we can't really discuss it.

MS. NELSON-FLOTO: Okay, so this will be discussed at another meeting.

CHAIR WHITE: Correct.

MS. NELSON-FLOTO: Thank you very much.

CHAIR WHITE: Thank you.

Mr. Clerk.

COUNTY CLERK: Next testifier is Patricia B. Cadiz, to be followed by Roannamarie Kauhaa.

MS. PATRICIA B. CADIZ:

Good morning, Council Chair White and Members. Thank you for hearing our testimony again. I brought props today. I'd like, if you remember Jo Anne Johnson said please think of me as Mrs. Carrying Capacity. I'd like you to think of me as Mrs. Check You Facts.

So we listened to the deliberations of May 4, and we heard a few things that were misunderstandings. One of the things we heard was that the CORA operators are buying up a lot of permits and keeping them from others. I think if you look at the statistics here, about ten years ago we had over 400 permits. And in the last ten years, 299 permits have been relinquished, abandoned, perhaps revoked in some cases. So we're, we're down 299 permits. I don't think that this indicates there is any hording going on, at least not by CORA operators.

It also leads you to believe that perhaps there might actually be some permits available. So if you look at the statistics of the permits that were issued this permit year and the suggested carrying capacities of the parks that were set by the CORA study. There actually are a few parks that have opportunity to add permits and there are even some sports that have opportunity to add some permits.

And then if you also remember way back when the CORA study was initially done, there wasn't enough money to study all 29 parks that we were using at the time. So they elected to study 17 or 18 of those park. And they said at the time when there is more money we'll study the rest of the parks and maybe open up some other parks for CORA permits.

So if you want to, if you want to give the newcomers a chance, there's probably an opportunity either looking at some of the permits that might have been abandoned or

some of the parks that may actually be available. Though I think too, one of the things that we heard the other day is that, it's possible that because there is a limited quantity of CORA permits they may have become a commodity, like the small boat harbor slips perhaps, which I don't really know what's going on with them, but I can tell you we're not a commodity. If, if we were and they were worth hundreds of thousands of dollars, I don't think you'd see this kind of abandonment of permits.

So what you're left with now is, is the permit operators that actually are really committed to their business. It's a tough business. There's a lot of expenses. We don't do commercial activities in the parks. All our activity, all our commercial activity is conducted off-site at our business location. So, we don't compare at all to the Kaanapali Kiosk, and we don't compare to the Lanai Boat Tours, and we don't compare to the harbor slips. We're completely different.

Thank you very much for listening and please if you have any questions about the facts I'd be happy to do my part in revealing the truth.

CHAIR WHITE: Thank you, Ms. Cadiz. Members, any questions for the testifier? Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: Next testifier is Roannamarie Kauhaa, to be followed by Jen Azuma.

MS. ROANNAMARIE KAUHAA-PO:

Hi, good morning. My name is Anna and I am speaking on behalf of the bus passes. I have a family of five and we all catch the bus. I have a two year old son that I pay \$45.00 a month for, for his bus pass. I have two girls that go to school, I pay fifty bucks each for them to catch the bus to and from school. There's me and my husband, we pay \$45.00 each. That's about like \$175.00 a month I pay for all of us to catch the bus.

Me and my husband were thinking about what next changes we would have to do to accommodate the bus, just to catch it. Sixty dollars per person, my son, I'm, I don't think I'd pay \$60.00 for my son a month to catch the bus. He's only two. Honestly for me, that's a waste of money.

My husband is actually looking at a car. The price for gas is like outrageous, that's why we catch the bus. Most of the people here are testifying on behalf of the bus passes and honestly, not everybody here can afford a \$60.00 bus pass, let alone a

\$45.00 bus pass. We do what we got to do out there's to get the bus passes. Cut into our savings, maybe dip into our rent money. Yeah, not all of us have open bank accounts and stuff so.

I'm a registered voter and the reason why I vote was because I trust you guys with what you guys said. And I don't know how to undo that if there's \$60.00 a month bus passes. So yea, thank you.

CHAIR WHITE: Thank you very much. Members, any questions for the testifier?

COUNCILMEMBER COUCH: Mr. Chair, just wanted to get her name. It's not the same name that, that Mr.

CHAIR WHITE: If you could just state your name for the record.

MS. KAUHAA-PO: Roannamarie Kauhaa-Po.

COUNCILMEMBER COUCH: Thank you.

CHAIR WHITE: Thank you.

Mr. Clerk.

COUNTY CLERK: Next testifier is Jen Azuma, to be followed by Eric Nakagawa.

MS. JEN AZUMA:

Good morning, Council. My name is Jen Azuma. I'd like to thank all of you for being here to hear us and to hear what we're talking about today. And today I'm here to testify on behalf of the bus fares and I would like for you to not just consider, but to keep the bus fares the same price, thinking that, and I'm not only speaking for myself but for the many people that I've spoken to throughout the last few weeks that were wondering what are we going to do collectively, individually to be able to afford to continue to go to work.

I know that there's a lot of budget cuts going on and I know that everyone's scrambling including you guys to make ends meet and to stretch things as far as we can. But as a single parent of three children who quite often take the bus, I live in the shelter, I raise a family of four on 1400 a month.

I cannot save to get off the shelter as is. What am I going to do if I have to keep on putting more money out to get somewhere. How is that, how is that going to affect me, how about the other people who are also in the same or similar predicaments that are in danger of losing their homes. And they can't make ends meet now, let alone continue to do this if the prices continue to go up.

Just because I, I think about solutions as well as just the, not just the problem, I would like to say maybe you could propose a fair market increase in wages to reflect all of the additional costs that you're coming across. And maybe some of these corporations that are making, banking millions of dollars every week off of the money that we spend in their stores, maybe they can take out a few dollars of their monopoly to help put back into the community. But I really don't think that it should come out of the individual people and I don't think it should come out of small businesses who are struggling to survive. I thank you for listening to me.

CHAIR WHITE: Thank you, Ms. Azuma. Members, any questions for the testifier? And please, you know, we've, we just need to remind you. I appreciate the passion, but please I ask no comments, no clapping after, following the testimony. Any questions for Ms. Azuma, Members. Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: Eric Nakagawa, Wastewater Division Chief, County of Maui; followed by Joseph Pluta.

MR. ERIC NAKAGAWA, WASTEWATER DIVISION CHIEF, COUNTY OF MAUI:

Good morning, Chair, Members.

CHAIR WHITE: Good morning.

MR. NAKAGAWA: My name is Eric Nakagawa, the Wastewater Division Chief for the County of Maui.

In the mid-nineties the County of Maui had roughly 50 to 70 wastewater spills per year. The County of Maui has significantly decreased the amount of sewer spills by increasing the reliability of the wastewater infrastructure through successful programs and personnel. The proposed Fiscal Year 2016 Budget will put us back to where we were 20 years ago by reducing the amount of funds, resources required for the Wastewater Division. Let me tell you how.

First, the proposed budget deletes the Wastewater Treatment Operations Manager. This position oversees all five treatment plants and 42 pump, pump stations through his subordinates to assure compliance with all Federal and State regulations. There is also a person currently in this position so cutting this position will result in a reduction in force or layoff in terms of the private sector, reducing key personnel.

Second, the proposed budget reduces our ability to perform in-house projects by reducing the amount of premium pay. This means that we will pay outside contractors two to three times more for the same amount of work that could have been done in-house. When we exhaust the funding for outside contractors, the replacement of the equipment will not get done and our system will not be as reliable.

Third, the proposed budget reduces the amount of funding for our operations, mainly coming from our electricity budget in the Kihei Wastewater Reclamation Facility. The electrical budget for this facility was based off the actual expenditures for Fiscal Year 2014. Our current expenditures for Fiscal Year '15 predict that we may have a savings due to our aggressive energy savings program. However, majority of this savings will be exhausted if we have MECO failures in Fiscal Year 2016 because we do not have backup energy efficient blowers for the blowers we have recently installed. This means that our electrical expenditures will easily go over the proposed budget and result in a supplemental budget from other sources.

Fourth, the proposed budget reduces all of our funding for CIP projects by 20 percent. These projects are all compliance projects that replaces old infrastructure which has reached its end useful life. All of our estimates costs are, for these projects are based off of projects that are currently in construction with similar scope of work. If we reduce the amount of funding for these projects, we will not be able to proceed with the construction of these projects or it will be, result in a multi-year projects when more funding becomes available in the next fiscal year.

In conclusion, I respectfully request that this body restore these items in the Fiscal Year 2016 Budget so we can have the resources required to operate a reliable wastewater system and minimize the amount of sewer spills into the environment. Thank you for your time.

CHAIR WHITE: Thank you, Mr. Nakagawa. Members, any questions for the testifier.

Mr. Couch.

COUNCILMEMBER COUCH: Thank you. Thank you, Mr. Nakagawa, for being here. Do you have that in writing that you can submit to us because I didn't see it in our binder.

MR. NAKAGAWA: Yes, it's, I gave it to the lady.

COUNCILMEMBER COUCH: Okay, thank you.

CHAIR WHITE: Thank you.

Mr. Clerk.

COUNTY CLERK: Next testifier is Joseph Pluta, to be followed by Noelani Nakoa.

MR. JOSEPH PLUTA, WEST MAUI TAXPAYERS ASSOCIATION:

Chair White, Councilmembers. I'm Joe Pluta here representing the West Maui Taxpayers and their Board of Directors, President Emeritus and currently Treasurer and Director. And I want to commend the Council for taking the time to do this awesome review of the budget process, it's a very tough job. I've, I've been listening to testimony it's very compelling, you know, the, the decisions you have to make.

One of the things that has impressed us, the West Maui Taxpayers is that you've taken deliberate time to go and reanalyze, and revisit some of these things in the hearings that you're taking, like today.

One of the things that as a real estate professional for the last 40 years, as a real estate broker, I was looking at the, the removal of the expansion of the County facility, that's \$30 million. And I was thinking wow, this is the time when, this is a buyer's market, time to build, time to do things, time to invest, interest rates are down.

And I keep thinking about, every time I try to get a parking place over here to testify to do anything and all the County facilities that I have to go to, traveling all over town to different locations and I think about One Main Plaza as being the biggest fiasco that ever occurred, we didn't, the County didn't buy that one.

But I sure would encourage the Council as it's revisiting everything, to look at maybe it'd, would make sense at this time to look at expanding the County facilities and consolidating its operations. Paying rent is sometimes, you know, out of your control. What, you're not the landlord, you have some conditions and restrictions that you have to deal with that are not necessarily favorable as opposed to being the owner of your facilities. And you do have some control then, on cost and expenses.

And the consolidation, maybe some efficiencies, of, of services and it's definitely rent control for sure and I don't see real estate construction costs going down. If anything, I see them increasing. I mean waiting, is just increasing your costs. So, if you're going to take a look at that, I don't know what kind of analysis you've seen, that's shown you the cost benefit, but maybe there needs to be a reanalysis done before there's a final decision done, made on that.

And we'd ask you to respectfully consider that. But we want to commend you for your diligence, what you're doing, thank you very much. Aloha.

CHAIR WHITE: Thank you, Mr. Pluta. Members, any questions for the testifier. Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: Noelani Nakoa. Mr. Chair, Noelani Nakoa is the final individual who have signed up this morning.

MS. NOELANI NAKOA:

Good morning, ladies and gentlemen. My name is Noelani Nakoa and I represent along with my group, Mental Health Kokua. And we are here to oppose the hike for the bus fare.

A lot of us that have disabilities here catch the bus and to have the hike to be \$15.00 more a month for the general pass would be extremely difficult for us. A lot of us catch the bus to get to our program which I'm a Peer Coach, and we run the Psycho-Social Rehabilitation Program at Mental Health Kokua. My clients here use the bus daily. Some of them catch a cab because it's actually cheaper for them.

But for the majority of us, this is our fixed income here, with general assistance being at \$348.00. A lot of us are pending Social Security at the moment so, as we are waiting, this is what we have to live by on a monthly basis. We try our best, it's difficult, but as I say, a lot of us here find it that it will be extremely difficult for that.

We do understand that the buses may need to be fixed and there's maintenance on the buses, but we don't feel that it should come from the citizens, from the people that catch the bus. I'm not sure where this monies would come from, but right now we think the bus fare should stay as it is and not be raised any further. Thank you very much.

CHAIR WHITE: Thank you, Ms. Nakoa. Members, any questions for the testifier. Seeing none, thank you for being here this morning.

Mr. Clerk.

COUNTY CLERK: Mr. Chair, there is no further individuals that have signed up to testimony in the Council chamber. If there is any additional individuals in the Council chamber or in the District Offices that would like to offer testimony, please identify yourself to the appropriate staff and proceed to the testimony lectern or District Office phone at this time.

Hana Office, are there any additional testifiers?

MS. LONO: The Hana Office has no one waiting to testify.

COUNTY CLERK: Lanai Office, are there any additional testifiers?

MS. FERNANDEZ: There is no one waiting to testify on Lanai.

COUNTY CLERK: Molokai, are there any additional testifiers?

MS. ELLA ALCON: There's no one here on Molokai waiting to testify.

COUNTY CLERK: Mr. Chair, there is no additional individuals in the District Offices nor the chamber that wish to provide testimony.

CHAIR WHITE: Looks like we have one additional testifier. Please, please proceed to the podium and give your name.

MR. JACEY LAU:

Jacey Lau, at your service. I took the bus down here from Kula.

CHAIR WHITE: You, move, move in front of the microphone please.

MR. LAU: I was kind of, I went to the Budget meetings, you all might have seen me back here and I was, listened to the Transportation Director's presentation. I was kind of surprised when I read in the paper. I was kind of mad at Mr. Hokama at first, it says Hokama wanted to raise the rates, but I heard from Rosemary that he was actually against it.

But to make a long story short, I might be able to swing 50 bucks, but 60 bucks is a lot of money for the monthly pass. So, that's why I came down here. I'm proud of my community that so many people turned out to speak and I'm also proud the staff to finally give me something I could sink my teeth into for, put together the thing for the public. Thank you for your time.

CHAIR WHITE: Thank you, Mr. Lau.

Mr. Clerk.

COUNTY CLERK: Mr. Chair, you have additional testifiers lined up against the wall.

CHAIR WHITE: Okay, I'd like to ask that anyone who remains in the chamber that would like to testify, first gentleman in line can come up to the podium. While he's testifying, I'd prefer that you all sign up at the, at the podium outside so we have a sense of how many more we have.

Wait, hold on a second there seems to be a little confusion. Did, have all of you signed up? We don't have your sheets. Do we?

Okay, so you signed up for the next meeting. Yeah, we're, we're going to be, did you sign up for this meeting?

MR. FRANCIS BALLARD: I signed up after 9:30 was that for this meeting or . . . bus system.

CHAIR WHITE: We had a meeting that was supposed to start at ten. So you probably--

MR. BALLARD: What issues will you be addressing for the next one.

CHAIR WHITE: Same ones.

MR. BALLARD: Okay, well I can wait for the next one.

CHAIR WHITE: Okay, if you don't mind we'll, we'll get out of this meeting and then we'll start the next one. Okay, thank you.

COUNCILMEMBER VICTORINO: Chair, I think there's one more.

CHAIR WHITE: Okay, let me. Yes. We'll take that.

3. Lloyd Ginoza;
4. David Dorn, Action Sports Maui;
5. Buck Joiner;
6. David Goode, Director of Public Works;
7. Mitch Skaggerberg, Maui County Veterans Council;
8. Linda Del Rosario;
9. Pamela Tumpap, Maui Chamber of Commerce;
10. Alan Cadiz, Hawaiian Sailboarding Techniques, Inc.;
11. Patricia Cadiz, Hawaiian Sailboarding Techniques, Inc.;
12. Eric Nakagawa, Wastewater Reclamation Division Chief,
County of Maui;
13. Sue Van Blarigan;
14. Anthony Borge, Chair, Small Business Regulatory
Review Board, State of Hawaii;
15. Maria Linz;
16. Daniel Kanahale; and
17. Vivian Lindsey.

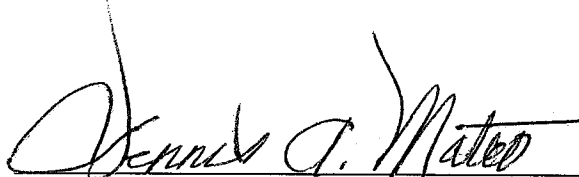
CHAIR WHITE: And with no objections, we'll close public testimony.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Public testimony is closed and we will adjourn this public hearing.

ADJOURNMENT

The public hearing of MAY 26, 2015, was adjourned by the Chair at 11:03 a.m.

A handwritten signature in black ink, reading "Dennis A. Mateo", written over a horizontal line.

DENNIS A. MATEO, COUNTY CLERK
COUNTY OF MAUI, STATE OF HAWAII